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Report Highlights:
Widespread soaking rains across much of southern Australia have greatly improved the prospects for beef and veal producers in CY 2010. The Australian cattle herd is expected to increase significantly in CY 2010 as improved pasture conditions encourage producers to withhold cattle from slaughter for breeding purposes. Going forward, post expects slaughter, production and exports to remain at lower levels than in CY 2009. Inventory is expected to build significantly.

Summary

Widespread soaking rains across much of southern Australia have greatly improved the prospects for beef and veal producers in CY 2010. Heavy falls of rain on Christmas day, combined with widespread "follow-up" rain, has provided welcome relief in many key areas following prolonged and severe drought which began in CY 2002.

The Australian cattle herd is expected to increase significantly in CY 2010 as improved pasture conditions encourage producers to withhold cattle from slaughter for breeding purposes. Increasing inventory is expected to see both slaughter and production constrained and this, combined with a stronger Australian dollar, is expected to see export volumes also constrained to slightly lower levels.

A historically high Australian dollar during the second half of CY 2009 and into CY 2010 however, has placed serious downward pressure on export returns in the second half of CY 2009 and this is expected to continue well into the CY 2010 forecast year. Australia typically exports around two thirds of total beef and veal produced and lower export returns seriously impact domestic prices, despite the relatively strong performance of Australia's domestic beef market.

Despite lower beef prices, values for young cattle are expected to remain relatively firm, perhaps increasing over CY 2010. Increasing inventories are expected to see a decline in cattle available for sale and this, combined with strong live export demand, is expected to see prices for live cattle improve somewhat. Analysis of young cattle sales has shown a sharp decline in the numbers of young cattle offered for sale since July 2009.

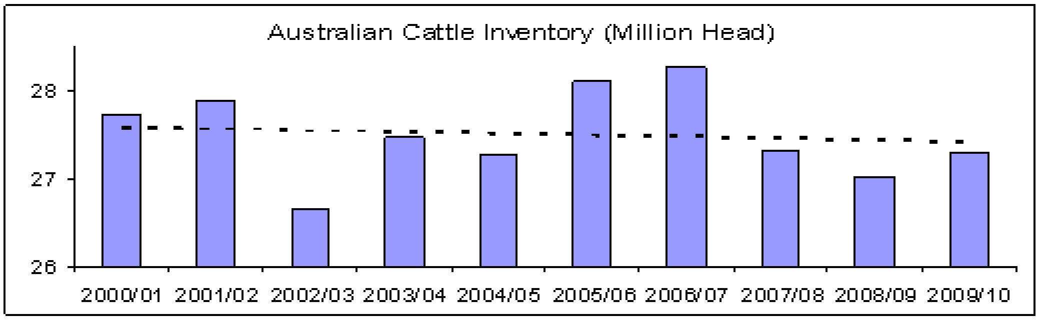
A recent announcement by the Government of Australia has stated that preparations are being made to allow the importation of beef from countries that have had detections of BSE in cattle. Under the new policy, countries wishing to export beef to Australia will be required to substantially monitor and control procedures to ensure that shipments of beef are free from BSE.

Going forward, post expects slaughter, production and exports to remain at lower levels than in CY 2009. Inventory is expected to build significantly.

At the time of publishing this report, Meat and Livestock Australia released their own projections for the Australian beef industry. Like post, MLA has forecast lower slaughter, production and beef exports for CY 2010. However, MLA expects no expansion in herd numbers, which differs from Post's expectations.

Inventory

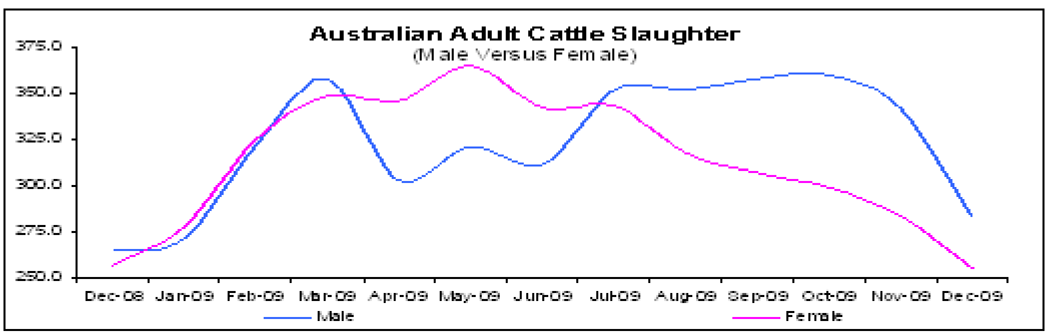
Closing inventory for CY 2010 is forecast at 27.80 million head, up sharply on the revised closing inventory for the previous year. If achieved, this would represent a three percent increase and the fourth highest inventory level since the 1970's.



Source: ABARE data (July-June)

Improved seasonal conditions combined with lower prices are likely to see cattle withheld from sale for breeding purposes. This forecast is critical to Post's slaughter and production forecasts, which assume increased closing inventory for CY 2010.

Monthly Australian Bureau of Statistics slaughter data shows declining total slaughter for the second half of CY 2009. Moreover, this data shows the slaughter of female cattle slowing faster than the slaughter of male cattle, indicating a return to the herd rebuilding phase which was largely constrained due to drought conditions.

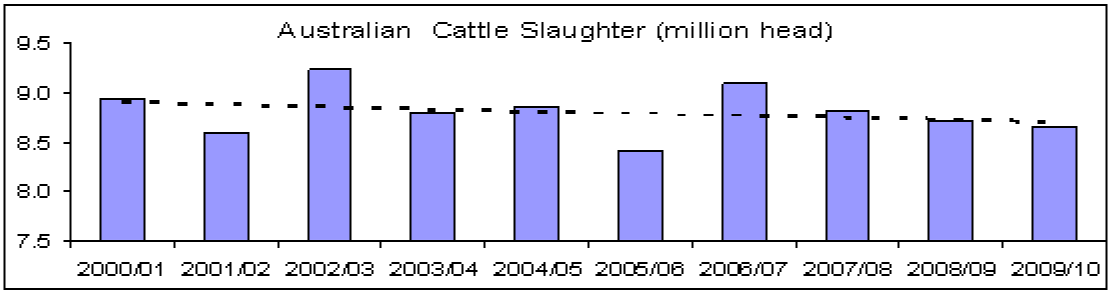


Source: ABARE Data (July-June)

Post advises that closing inventory for CY 2009 has been revised downwards sharply to 27.0 million head, in line with recently released ABS data.

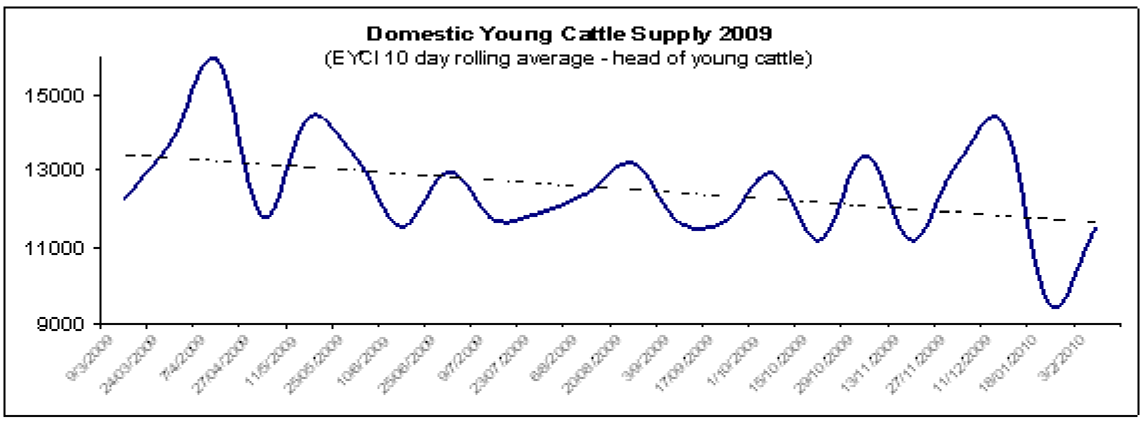
Slaughter

Total slaughter for CY 2010 is forecast at 8.4 million head, down on Post's previous forecast and down on the revised estimate for the previous year. If achieved, this would represent the lowest slaughter for over a decade, lower than the 8.46 million head slaughtered in CY 2005. MLA recently forecast the lowest slaughter of adult cattle for 14 years.



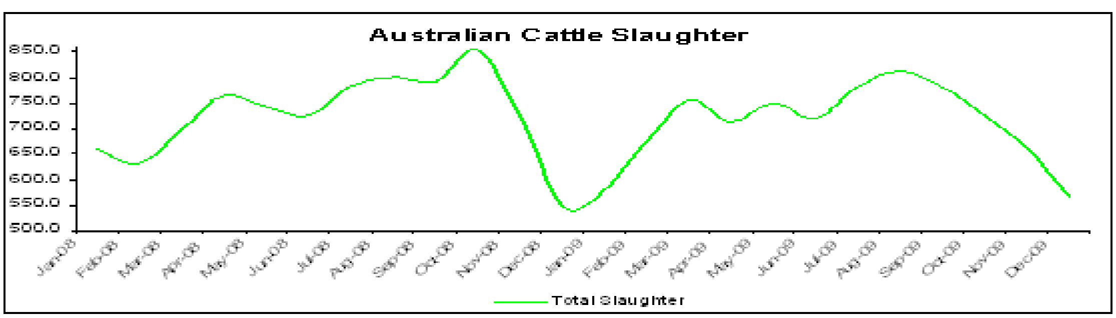
Source: ABARE data (July-June)

A fall in the supply of live cattle suitable for slaughter, due to improved seasonal conditions and herd expansion, is expected to see total slaughter fall in CY 2010. Furthermore, continuing high levels of live exports is also likely to seriously constrain slaughter.



Source: MLA EYCI data (10 day rolling average)

At the time of writing this report, rural media has quoted many beef processors as either cutting shifts in beef slaughter house plants, or in extreme cases, closing altogether. These processors all quote the falling supply of cattle as the primary reason for cutting production or closing.



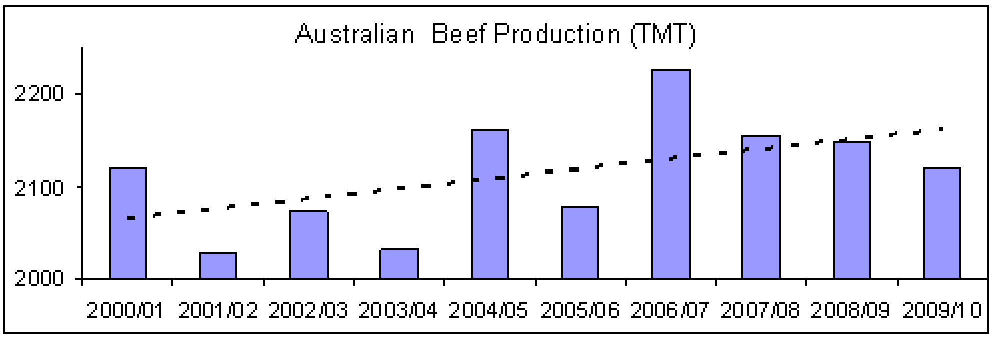
Source: ABS data

Prospects for winter cereal crop production in Australia in CY 2010 is likely to see the total planted area fall markedly, as decreasing cereal prices and increasing input prices will likely give cause for mixed farmers to partially switch to enterprises such as livestock (including, but not limited to, cattle).

Post has revised slaughter for CY 2009 downwards to 8.529 million head, in-line with recently published ABS data. Falling monthly slaughter for the past two quarters of CY 2009, rather than just the usual December quarter, has caused slaughter to fall below previous expectations.

Production

Total beef and veal production for CY 2010 is forecast at 2,075 TMT unchanged from Post's previous forecast and down slightly on production for the previous year. If achieved, this would represent the lowest level of production since CY 2003/04 according to ABARE's historical data.



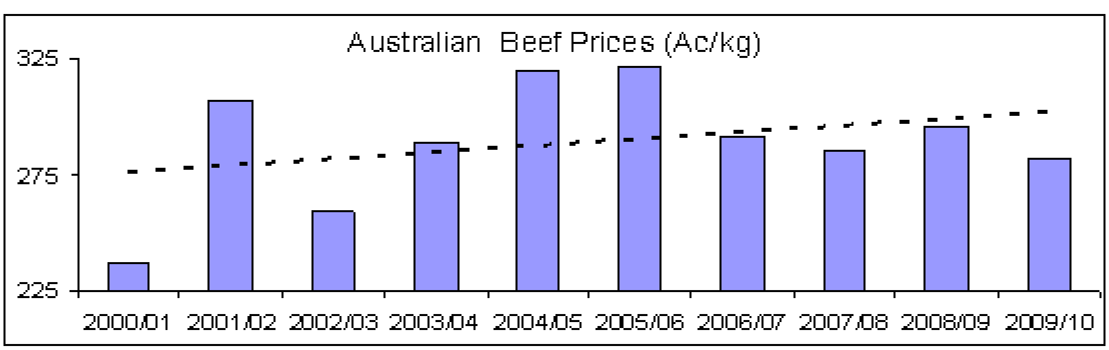
Source: ABARE data (July-June)

Lower slaughter due to improved seasonal conditions in CY 2010 is expected to see production fall slightly. However, Post advises that this March-June period will be partially constrained by an increase in average slaughter weight. Improved pasture conditions and improved supplies of fodder are likely to see average carcass weight increase slightly, and this should constrain larger falls in production.

Post has revised its estimate for CY 2009 production downwards 2,095 TMT, just 5 TMT lower than Post's original forecast

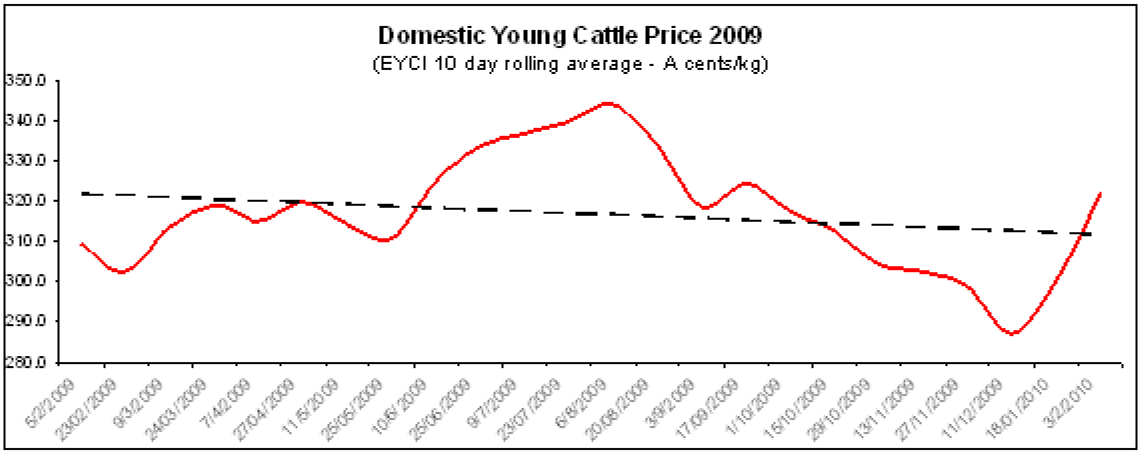
Beef Prices

Beef prices are generally considered to have eased somewhat over CY 2009; softer demand reduced export volumes while a higher Australian dollar reduced export returns. Live cattle markets in Australia also eased in CY 2009. According to ABARE, the indicator price for 2009/10 (July-June) is expected to remain lower than the previous year and below the ten-year average.



Source: ABARE data (July-June)

According to industry data (MLA EYCI), prices for young cattle have been declining significantly since July 2009. However, excellent rainfall since December 2009 has done much to improve prices of live cattle due to "re-stocker" demand as the national herd begins to expand.

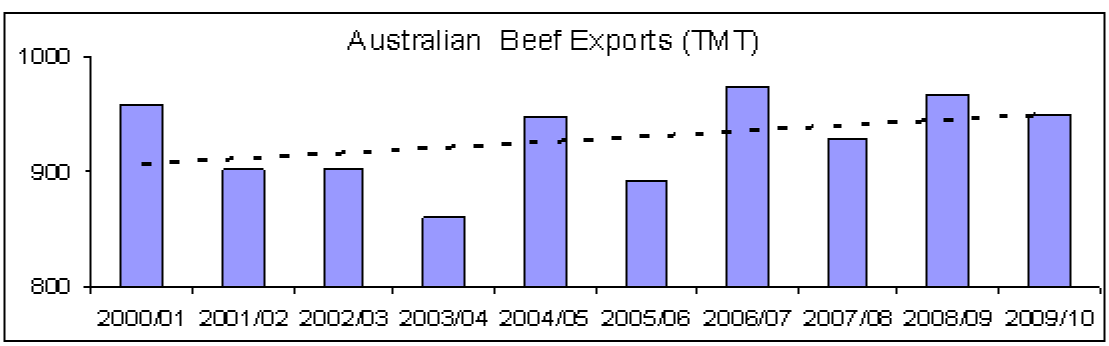


Source: MLA EYCI data (10 day rolling average)

Slaughter cattle prices have not been so responsive to recent rainfall due to the historically high Australian dollar value eroding export returns. Industry sources expect prices for slaughter cattle to remain relatively low throughout CY 2010. In the short term this will effectively limit the supply of cattle for sale as long as pasture conditions allow producers to withhold stock from sale.

Exports

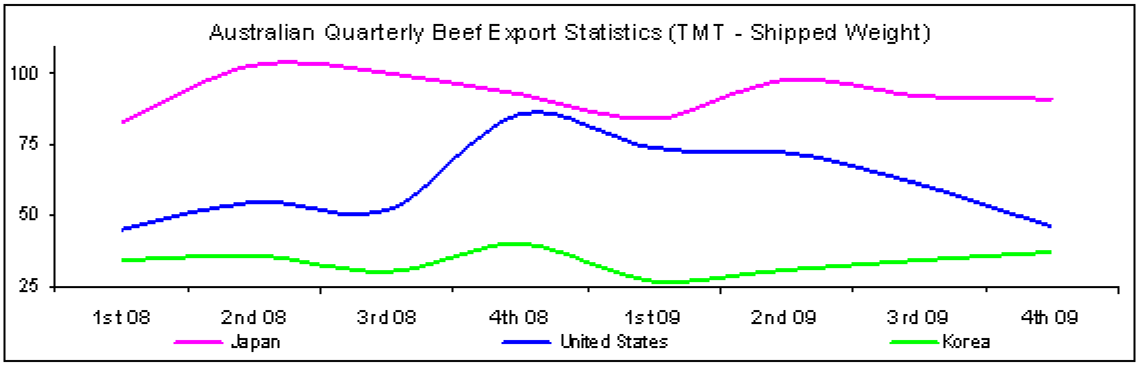
Total beef and veal exports for CY 2010 are forecast at 1,350 TMT Carcass Weight Equivalent (CWE). This converts to approximately 965 TMT in shipped weight using a conversion factor of 1.4. If achieved, forecasts at this level would be considered below the revised estimate for the previous year, but above the ten-year average established using ABARE's historical data.



Source: ABARE data (June-July)- Shipped Weight

Lower production and continued weaker demand is likely to see exports of Australian beef and veal remain at levels closer to the ten-year average throughout CY 2010.

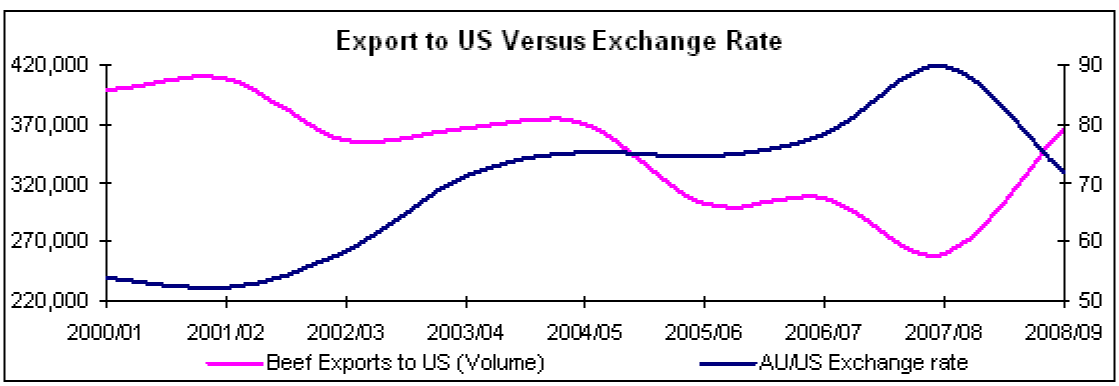
Individual market performance data indicates that exports to Japan over CY 2009 held relatively firm, albeit at slightly lower levels to the previous year, while exports to the United States fell steadily throughout the year. Exports of Australian beef and veal to Korea have steadily improved, while exports to Russia, which was momentarily Australia's third largest market, do not appear to be recovering.



Source: WTA Data

Exports of Australian beef to the US continue to be influenced by the Australian and US dollar exchange rates. Traditionally, exports of beef and veal to the US require a lower Australian dollar to increase in volume. However, a high Australian dollar for much of CY 2009 has seen exports to this market decline steadily.

At time of writing this report, the value of the Australian dollar has diminished somewhat. If this decline continues into CY 2010, exports of beef to the US should begin to increase.

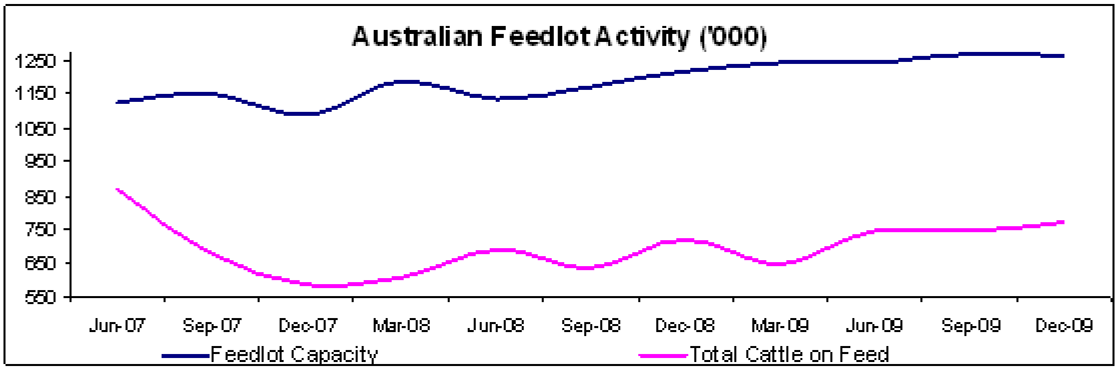


Source: ABARE/ABS

Post has revised exports of beef for CY 2009 downwards slightly to 1,365 TMT(CWE) in line with recently published full-year ABS data. Lower production, softer export demand and a higher Australian dollar combine to reduce exports in the second half CY 2009 to levels below that previously expected by post.

Feedlots

Total numbers of cattle on feed have been increasing, albeit slowly, over the past year and a half. However, total numbers on feed remain well below actual capacity at just 61 percent for the last quarter of December 2009 (770,000 head). Post expects numbers of cattle on feed to continue increasing slowly over CY 2010 as this sector slowly rebuilds.

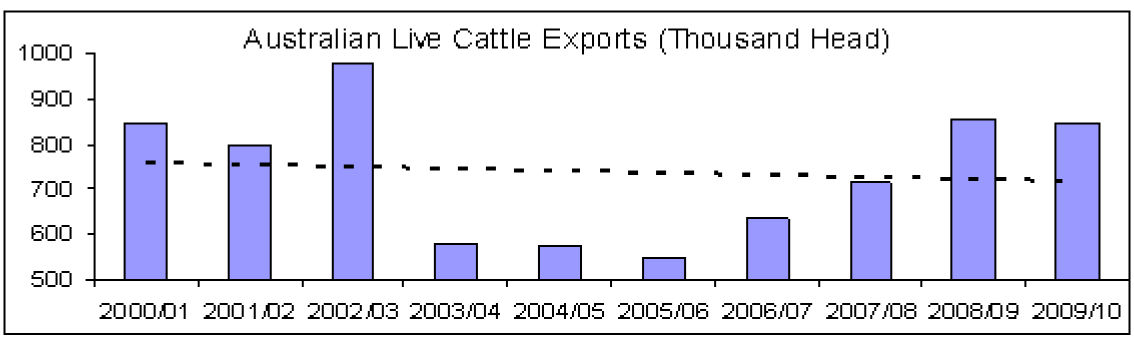


Source: MLA/ALFA

Recent travel undertaken by post has revealed difficult operating conditions for Australian feedlots. Feed shortages and high grain prices have seen numbers of cattle on feed fall considerably from the record level of 940,000 head (83 percent capacity) achieved in CY 2006. High live export levels, reduced young cattle supply and poor export returns (driven by a high Australian dollar) has also made conditions difficult. Operators state that profitability remains at an all time low and are looking for improved export market conditions in CY 2010 to ensure the long term sustainability of the industry.

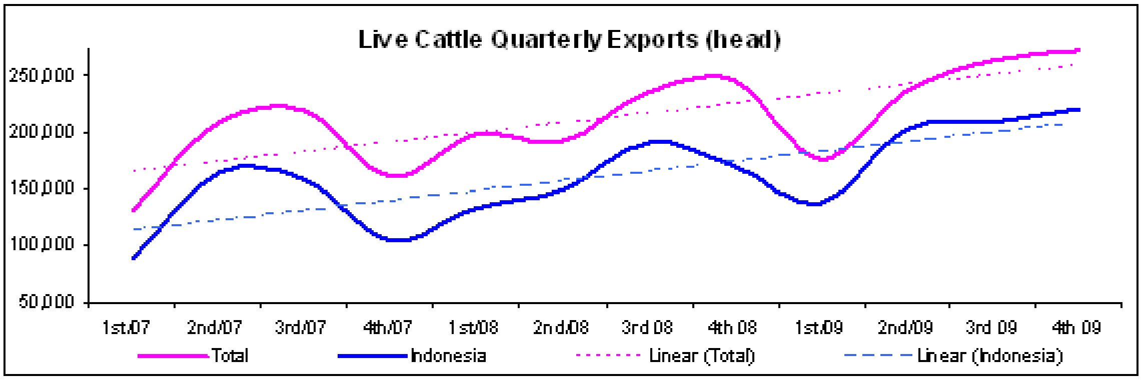
Live Exports

Live cattle exports are forecast at 915,000 head in CY 2010, down slightly on the previous year but remaining at historically high levels. A return to more normal weather conditions is expected to see the number of cattle available for live exports decline in CY 2010.



Source: ABARE data (June-July)

Post advises that it has revised live exports for CY 2009 upwards significantly to 948,000 head, in line with official trade data. Drought conditions, particularly in key areas of northern Australia, pushed exports to near record levels and higher than previously forecast. This estimate represents the return of live exports to levels not seen since 2002/03, according to ABARE's historic data.



Source: WTA

Market analysis for CY 2009 shows that Indonesia remains a dominant market for Australian live cattle and continues to drive the total export number. In CY 2009 Indonesia accounted for 81 percent of total exports, or 748,133 head of the total 948,240 head exported.

Policy (changes in BSE policy)

On October 20 2009, the Government of Australia announced a change in Australia's BSE food safety policy for imported beef and beef products. Prior to this announcement, Australia had suspended all beef imports from countries that had detected BSE, which included the United States.

Under the new policy, which comes into affect on March 1, 2010, countries wishing to export beef and beef products need to be assessed by Australian authorities to have appropriate monitoring and control systems to ensure that shipments are derived from animals free of BSE.

The announcement of a policy change in regard to BSE follows the publishing of a report titled "Review of Scientific Evidence to Inform Australian on Transmissible Spongiform Encephalopathies". The report stated that beef imports from "controlled risk" or "negligible risk" countries, with appropriate certification would lead to only a negligible increase in risk. The report stated the same for other consumer goods and therapeutic goods derived from cattle. The published report can be viewed at:
http://www.health.gov.au/internet/main/publishing.nsf/Content/B081C7E60E542608CA257654000AF13E/$File/tse-report-oct-09.pdf

Related link for BSE information on the FSANZ website:
http://www.foodstandards.gov.au/consumerinformation/bovinespongiformencephalopathybse/

Going forward, post will continue to monitor and report on this issue as well as maintain direct contact with Australian beef industry groups such as: Cattle Council of Australia, The Australian Lot Feeders Association and Meat and Livestock Australia.

Recently Post successfully coordinated an outreach activity which included the US Ambassador to Australia, Ambassador Jeffrey Bleich, placing a sash on the champion Poll Hereford Bull at the National Capitals' Royal Canberra Show.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INDUSTRY ITEMS OF INTEREST

Federal Government BSE Policy Change – Is aimed at resuming beef imports from countries that had trade suspended following BSE detection. This initiative has the support of the Red Meat Advisory Council Ltd (RMAC), the peak body for Australia's red-meat and livestock industry, on the basis that the risk of Australia importing BSE-affected products remains negligible. RMAC membership is made up of Australian Lot Feeders' Association, Australian Livestock Exporters' Council, Australian Meat Industry Council, Cattle Council of Australia and Sheepmeat Council of Australia. The previous policy gave State food/health authorities the right to remove all Australian and imported beef from domestic shelves right across the country if a case of BSE was found unexpectedly in Australia.

Without scientific support, Australia's previous BSE policy could have led to crippling retaliation from other countries that, under international trading rules, can impose compensatory measures that could potentially affect trade. Given 65% of production is exported, this is worth avoiding. RCMAC has strongly supported science based international trading rules.

Source: Opinion Piece Red Meat Advisory Council Ltd.

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New EU Beef quota – The European Union has granted Australia market access to its new EU duty free Tariff Quota for high quality grain fed beef. Currently Australian high quality beef exports attract a 20% duty in Europe.

Australia operates an approved EU Market supply program for beef which guarantees freedom from hormone growth promotants. The duty-free quota, which first became available in August last year, provides for an additional global supply of 20,000 tonnes of high quality beef into the EU each year. Australia's current total beef exports to the EU exceed $136 million or about 11,000 tonnes annually. Exports of high quality beef under the new quota are expected to be in the first quarter of 2010.

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Meatworks closure - The Burrandong Meat Works, in the state of New South Wales was placed in receivership and hundreds of workers were stood down in early February this year. A drop in the level of stock available for processing along with the high stock prices and continued drought are major factors for its closure. Burrandong, was established in 1985 and operated one of the last all species abattoirs in Australia processing sheep, cattle, goats, deer and pigs.

At this time industry sources predict Australia's $13 billion meat industry will be "in trouble" until at least next year, following the closures of more meat processing plants. The live export trade is growing and as a consequence processors are finding it very difficult to compete with the live trade market.

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Meat Labelling / Grading – In December 2008 the Food Amendment (Meat Grading) Bill was introduced to the Legislative Assembly in the state of NSW in an attempt to provide consumers with a system of meat labeling that was reliable and consistent. The Red Meat Advisory Council reportedly worked with Local Members of Government to ensure the Bill is practical and workable. The bill would ensure that retailers labeled beef in accordance with Ausmeat requirements. The terms “export quality beef” and “export grade beef” would be banned under the proposed legislation. RMAC is currently seeking a number of amendments to the Bill in the Upper House to ensure that the bill provides the outcomes desired. For instance, RMAC is pursuing labeling of beef from eight-tooth cows to be described at the point of retail sale as “budget grade beef” instead of the current bill wording, which requires retailers selling “budget” beef to also label it as “low quality” or “low grade”.

Source: Alfa Lotfeeding Jan 2010

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Beef Cattle Feedlot Production Environmental benefits confirmed – Research by the University of NSW was welcomed as demonstrating positive environmental aspects of cattle feedlot production compared with organic or grass fed beef production. Findings from the report include:

- Widespread misconceptions that beef cattle feedlots are resource and energy intensive and worse for the environment.
- Beef from feedlot cattle had 50% and 38% lower methane emissions per kg of hot standard carcass weight
- Higher nutrition and digestibility of feedlot rations meant that slaughter weights are achieved at younger ages.
- By improving the efficiency of beef production – lower methane emissions per unit of product are obtained.

Source: Australian Lot Feeders Association Feb 2, 2010

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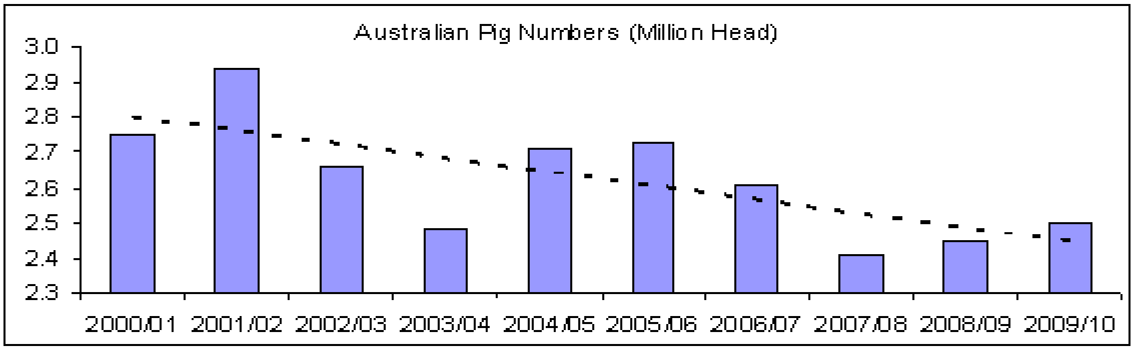
Swine

Inventory

Swine closing inventory for 2009/2010 is forecast to increase to 2.45 million head, as lower grain prices and improved feed supply is expected to allow inventory to expand. Post has revised closing inventory for 2008/09 upwards slightly to 2.3 million head in line with recently published ABS data.



Source: ABARE data (July-June)

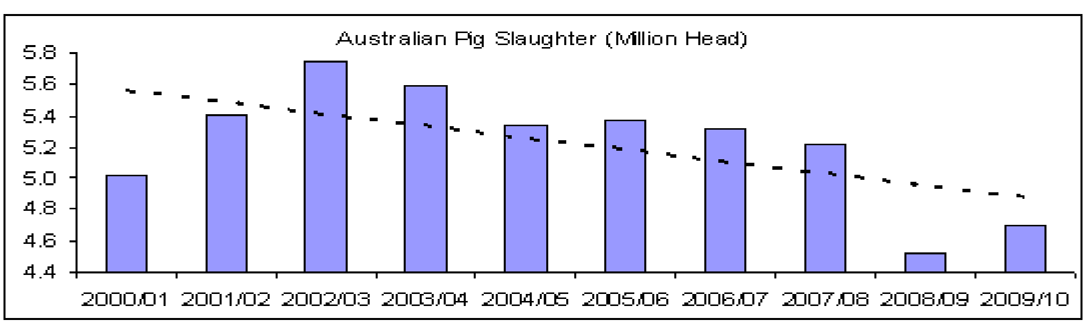
The Australia pig meat industry appears to be in a rebuilding phase following years of financial hardship. Record high grain prices, critical shortages of domestic feed supply and record high competition from imports have placed the industry under immense hardship since the drought began in CY 2002. Improved seasonal conditions and improved fodder supplies toward the end of CY 2009 are expected to continue through to the end of CY 2010.

Post has revised sow numbers for CY2009 downwards sharply in-line with recently published ABS data.

Slaughter

Pig slaughter for 2009/10 is forecast at 4.75 million head, up 4.5 percent on the revised estimate for the previous year and unchanged from post's previous forecast. Increased sow numbers and improving feed supplies are expected to see productivity increase and slaughter increase significantly.

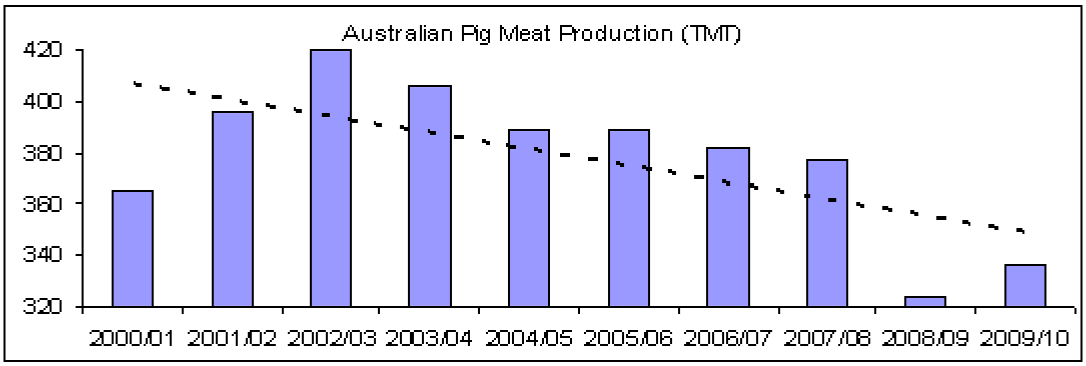
Estimated slaughter for CY 2009 has been revised downwards slightly to 4.55 million head, in line with recently published ABS data.



Source: ABARE data (July-June)

Production

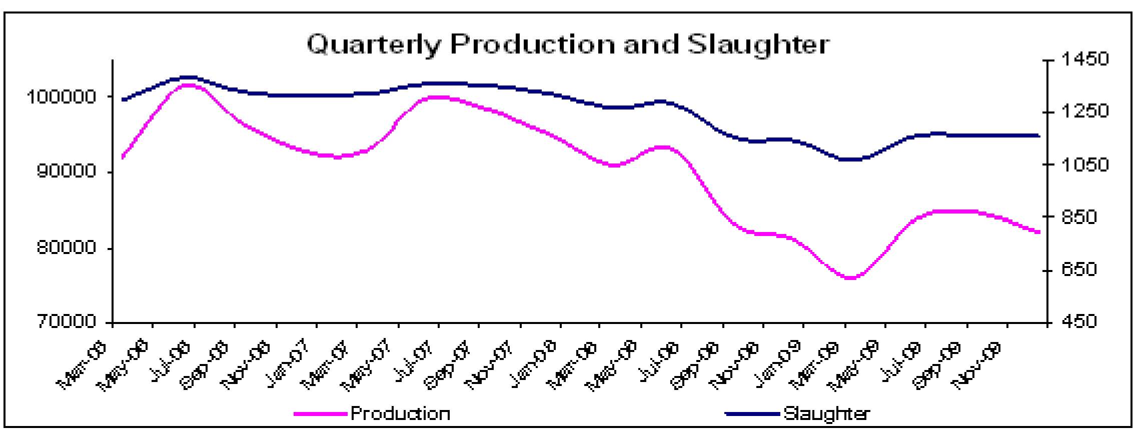
Total pig meat production in CY 2010 is forecast to increase to 346 TMT, up 5.8 percent and unchanged from Post's previous forecast. This increase is primarily driven by an increase in forecast slaughter, however Post assumes that slaughter weights will increase also. Post anticipates carcass weight to average 72.8 kg per head, up slightly on the 71.9 kg per head in previous years. Historic data shows the range for Australian carcass weights between 71.0 and 73.0 kilograms.



Source: ABARE data (July-June)

Exports

Total exports of Australian pig meat for 2009/10 are forecast at 46 TMT Carcass Weight Equivalent (CWE). Increased production due improved feed supplies is likely to see exports increase in CY 2010. The forecast of 46 TMT CWE would likely equate to a shipped weight equivalent of 35 TMT. Post uses a conversion factor of 1.3 to convert shipped weight to CWE.

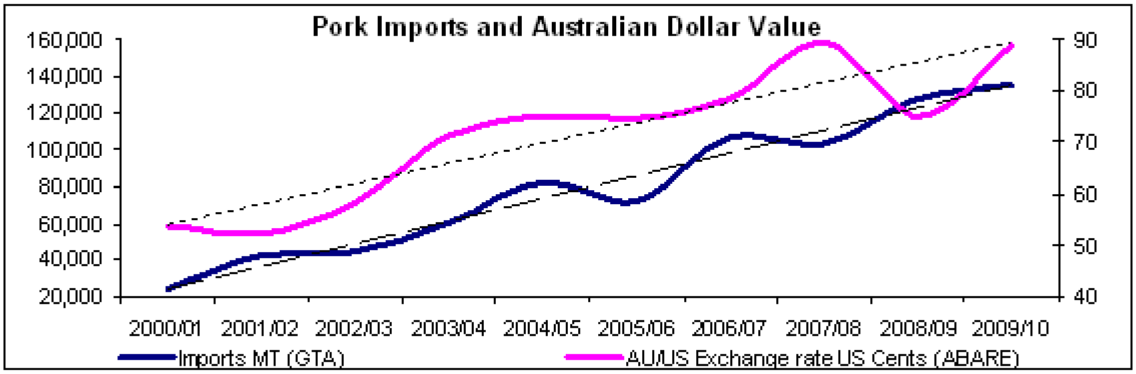


Source: ABS

Total pig meat exports for CY 2009 have been revised downwards to 40 TMT CWE in line with recently published ABS data. A downward revision of production for CY 2009 combined with a higher Australian dollar combined to constrain shipments of pork to levels below those previously forecast by post.

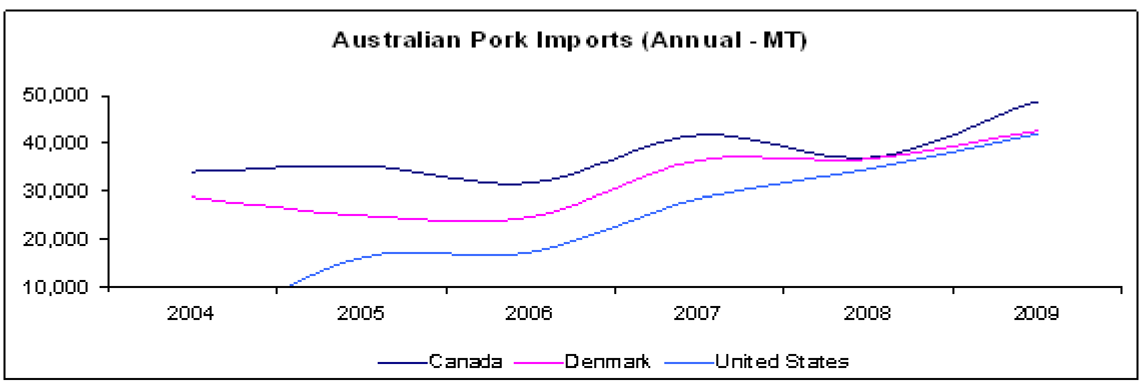
Imports

Total pork imports for CY 2010 are forecast at 175,000 MT, down only slightly on the revised estimate for the previous year. Post expects a high Australian dollar and strong local demand to maintain pork imports at historically high levels.



Source: WTA/ABARE

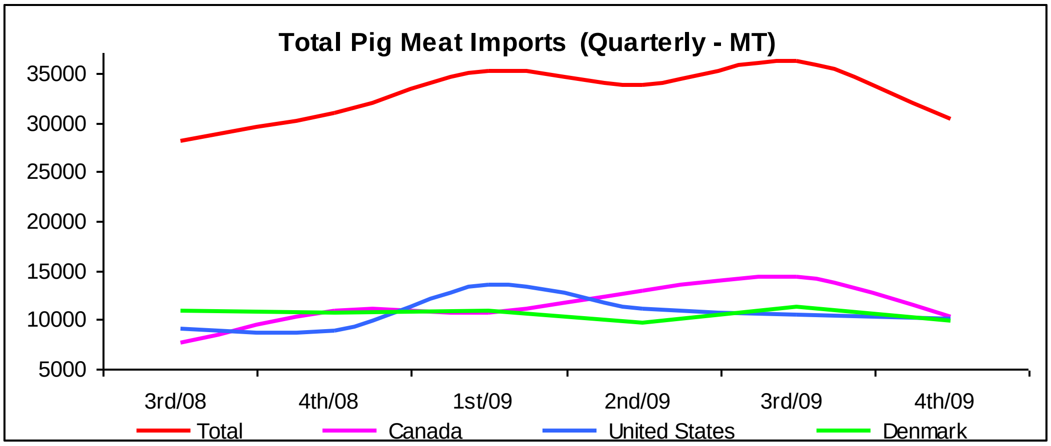
Local economic conditions in Australia appear to have recovered somewhat following the recent global financial crisis. Consumer demand, although lower than levels prior to the crisis, has largely recovered. Industry sources suggest that the Australian domestic meat market is performing better than most major export markets. This will likely hold levels of imported pork at near record levels for CY 2010.



Source: ABARE data (July-June)

Official trade data shows that in CY 2009, Australia imported a total of 135,687 MT of pig meat in shipped weight (176 TMT CWE). Of this, Australia's largest supplier was Canada with 48,107 MT (62.5 TMT CWE). The United States was Australia's second largest supplier of pig meat with 45,004 MT (58.5 TMT CWE) followed by Denmark with 41,703 TMT (54.2 TMT CWE).

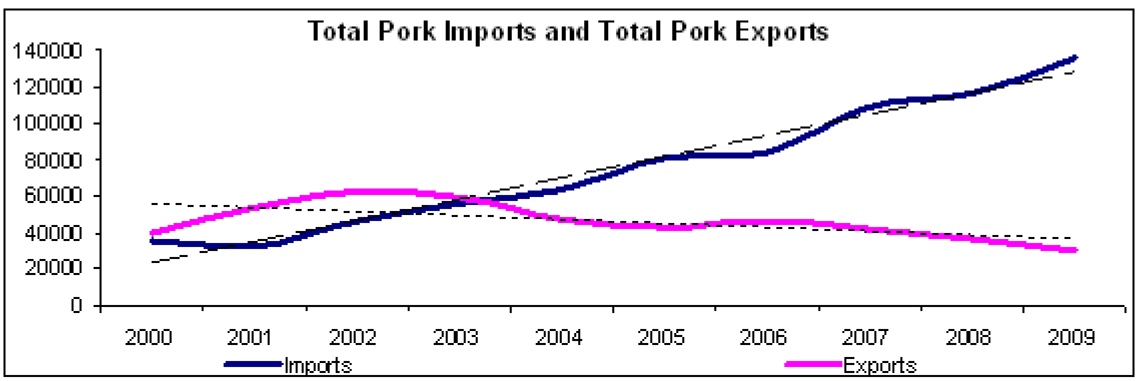
Source: *WTA*



Policy

The Australian pork industry is forecast to begin emerging from extreme financial difficulty with a return to herd rebuilding and increasing production and exports in CY 2010. Imports are forecast to remain at near record high levels.

Over the past decade, the Australian Pork Industry has pressured the Australia Government to provide direct assistance such as countervailing duties, tariffs and quota's. The Australian Government's Productivity Commission has twice investigated this industry, and on the first occasion, found a small tariff could be justified.



Source: WTA

Despite sustained pressure over a prolonged period, it is remarkable that the Australian Government has provided no direct assistance to this industry, instead choosing indirect assistance such as training, financial counseling and in some extreme cases, exit assistance.

Statistical Tables

Animal Numbers, Cattle										
	2008 Revised			2009 Revised			2010 Estimate			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2008	01/2008		01/2009	01/2009		01/2010	01/2010	MM/YYYY
Total Cattle Beg. Stks	28,040	28,040	28,040	27,321	27,321	27,321	27,436	27,815	27,007	(1000 HEAD)
Dairy Cows Beg. Stocks	1,617	1,617	1,617	1,641	1,641	1,645	1,650	1,650	1,665	(1000 HEAD)
Beef Cows Beg. Stocks	12,700	12,700	12,700	12,950	12,950	12,447	12,990	12,990	12,990	(1000 HEAD)
Production (Calf Crop)	9,079	9,079	9,080	9,700	10,134	9,215	10,185	10,235	10,158	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Total Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Total Supply	37,119	37,119	37,120	37,021	37,455	36,536	37,621	38,050	37,165	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Exports	869	870	870	910	890	948	910	895	915	(1000 HEAD)
Total Exports	869	870	870	910	890	948	910	895	915	(1000 HEAD)
Cow Slaughter	3,600	3,600	3,600	3,550	3,550	3,913	3,550	3,550	2,875	(1000 HEAD)
Calf Slaughter	820	820	820	840	840	780	850	850	825	(1000 HEAD)
Other Slaughter	4,358	4,358	4,358	4,210	4,210	3,813	4,150	4,150	4,700	(1000 HEAD)
Total Slaughter	8,778	8,778	8,778	8,600	8,600	8,506	8,550	8,550	8,400	(1000 HEAD)
Loss	151	150	151	75	150	75	50	150	50	(1000 HEAD)
Ending Inventories	27,321	27,321	27,321	27,436	27,815	27,007	28,111	28,455	27,800	(1000 HEAD)
Total Distribution	37,119	37,119	37,120	37,021	37,455	36,536	37,621	38,050	37,165	(1000 HEAD)
CY Imp. from U.S.	0	0		0	0		0	0	0	(1000 HEAD)
CY. Exp. to U.S.	0	0		0	0		0	0	0	(1000 HEAD)
Balance	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Inventory Balance	-719	-719	-719	115	494	-314	675	640	793	(1000 HEAD)
Inventory Change	-1	-1	-1	-3	-3	-3	0	2	-1	(PERCENT)
Cow Change	-2	-2	-2	2	0	0	0	0	0	(PERCENT)
Production Change	-3	9	-3	7	12	1	5	1	10	(PERCENT)
Production to Cows	63	63	63	66	69	65	70	70	69	(PERCENT)
Trade Balance	869	870	870	910	890	948	910	895	915	(1000 HEAD)

Slaughter to Inventory	31	31	31	31	31	31	31	31	31	(PERCENT)

Meat, Beef and Veal

	2008 Revised			2009 Revised			2010 Estimate			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2008	01/2008		01/2009	01/2009		01/2010	01/2010	MM/YYYY
Slaughter (Reference)	8,778	8,778	8,778	8,600	8,600	8,600	8,550	8,550	8,400	(1000 HEAD)
Beginning Stocks	91	91	91	115	115	115	87	87	108	(1000 MT CWE)
Production	2,159	2,159	2,159	2,100	2,100	2,095	2,075	2,075	2,075	(1000 MT CWE)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Imports	8	8	8	7	7	8	6	6	8	(1000 MT CWE)
Total Imports	8	8	8	7	7	8	6	6	8	(1000 MT CWE)
Total Supply	2,258	2,258	2,258	2,222	2,222	2,218	2,168	2,168	2,191	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	1,407	1,407	1,407	1,390	1,390	1,365	1,350	1,350	1,350	(1000 MT CWE)
Total Exports	1,407	1,407	1,407	1,390	1,390	1,365	1,350	1,350	1,350	(1000 MT CWE)
Human Dom. Consumption	736	736	736	745	745	745	755	755	755	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	0	0		(1000 MT CWE)
Total Dom. Consumption	736	736	736	745	745	745	755	755	755	(1000 MT CWE)
Ending Stocks	115	115	115	87	87	108	63	63	86	(1000 MT CWE)
Total Distribution	2,258	2,258	2,258	2,222	2,222	2,218	2,168	2,168	2,191	(1000 MT CWE)
CY Imp. from U.S.	0	0	0	0	0		0	0		(1000 MT CWE)
CY. Exp. to U.S.	365	365	365	340	400		0	400		(1000 MT CWE)
Balance	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Inventory Balance	24	24	24	-28	-28	-7	-24	-24	-22	(1000 MT CWE)
Weights	246	246	246	244	244	244	243	243	247	(1000 MT CWE)
Production Change	-1	-1	-1	-3	-3	-3	-1	-1	-1	(PERCENT)
Import Change	14	14	14	-13	-13	0	-14	-14	0	(PERCENT)
Export Change	1	1	1	-1	-1	-3	-3	-3	-1	(PERCENT)
Trade Balance	1,399	1,399	1,399	1,383	1,383	1,357	1,344	1,344	1,342	(1000 MT CWE)
Consumption Change	2	2	2	1	1	1	1	1	1	(PERCENT)
Population	21,007,310	0	0	21,262,641	0		21,515,754	0		(HEAD)

Per Capita Consumption	35	0	0	35	0	0	35	0	0	(KG)

Animal Numbers, Swine

	2008 Revised			2009 Revised			2010 Estimate			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2008	01/2008		01/2009	01/2009		01/2010	01/2010	MM/YYYY
Total Beginning Stocks	2,605	2,605	2,605	2,181	2,181	2,236	2,200	2,200	2,300	(1000 HEAD)
Sow Beginning Stocks	299	299	263	312	312	241	325	325	263	(1000 HEAD)
Production (Pig Crop)	4,422	4,422	4,477	4,619	4,619	4,609	4,825	4,825	4,900	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Total Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Total Supply	7,027	7,027	7,082	6,800	6,800	6,845	7,025	7,025	7,200	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Total Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Sow Slaughter	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Slaughter	4,846	4,846	4,846	4,600	4,600	4,545	4,750	4,750	4,750	(1000 HEAD)
Total Slaughter	4,846	4,846	4,846	4,600	4,600	4,545	4,750	4,750	4,750	(1000 HEAD)
Loss	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Ending Inventories	2,181	2,181	2,236	2,200	2,200	2,300	2,275	2,275	2,450	(1000 HEAD)
Total Distribution	7,027	7,027	7,082	6,800	6,800	6,845	7,025	7,025	7,200	(1000 HEAD)
CY Imp. from U.S.	0	0		0	0	0	0	0	0	(1000 HEAD)
CY. Exp. to U.S.	0	0		0	0	0	0	0	0	(1000 HEAD)
Balance	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Inventory Balance	-424	-424	-369	19	19	64	75	75	150	(1000 HEAD)
Inventory Change	5	5	5	-16	-16	-14	1	1	3	(PERCENT)
Sow Change	4	4	4	4	4	-8	4	4	9	(PERCENT)
Production Change	-19	-19	-19	4	4	3	4	4	6	(PERCENT)
Production to Sows	15.	15.	17.	15.	15.	19.1	15.	15.	18.6	(PERCENT)
Trade Balance	0	0	0	0	0	0	0	0	0	(1000 HEAD)

Slaughter to Inventory	186	186	186	211	211	203	216	216	207	*(PERCENT)*

Meat, Swine										
	2008 Revised			2009 Revised			2010 Estimate			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2008	01/2008		01/2009	01/2009		01/2010	01/2010	MM/YYYY
Slaughter (Reference)	4,846	4,846	4,846	4,600	4,600	4,545	4,750	4,750	4,750	(1000 HEAD)
Beginning Stocks	37	37	37	33	33	33	26	26	29	(1000 MT CWE)
Production	348	348	348	335	335	327	346	346	346	(1000 MT CWE)
Intra-EU Imports	0	0		0	0	0	0	0	0	(1000 MT CWE)
Other Imports	152	151	152	170	140	176	175	150	175	(1000 MT CWE)
Total Imports	152	151	152	170	140	176	175	150	175	(1000 MT CWE)
Total Supply	537	536	537	538	508	536	547	522	550	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	48	48	48	45	45	40	48	48	46	(1000 MT CWE)
Total Exports	48	48	48	45	45	40	48	48	46	(1000 MT CWE)
Human Dom. Consumption	456	455	456	467	437	467	475	450	475	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	0	0		(1000 MT CWE)
Total Dom. Consumption	456	455	456	467	437	467	475	450	475	(1000 MT CWE)
Ending Stocks	33	33	33	26	26	29	24	24	29	(1000 MT CWE)
Total Distribution	537	536	537	538	508	536	547	522	550	(1000 MT CWE)
CY Imp. from U.S.	54	54	45	0	0	55	0	0	55	(1000 MT CWE)
CY. Exp. to U.S.	0	0		0	0		0	0	0	(1000 MT CWE)
Balance	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Inventory Balance	-4	-4	-4	-7	-7	-4	-2	-2	0	(1000 MT CWE)
Weights	72	72	72	73	73	72	73	73	73	(1000 MT CWE)
Production Change	-10	-10	-10	-4	-4	-6	3	3	6	(PERCENT)
Import Change	8	8	8	12	-7	16	3	7	-1	(PERCENT)
Export Change	-11	-11	-11	-6	-6	-17	7	7	15	(PERCENT)
Trade Balance	-104	-103	-104	-125	-95	-136	-127	-102	-129	(1000 MT CWE)
Consumption Change	-1	-1	-1	2	-4	2	2	3	2	(PERCENT)

Recent Reports from FAS/Canberra

The reports listed below can all be downloaded from the FAS website at: http://www.fas.usda.gov/scriptsw/AttacheRep/default.asp.

Report Number	Title of Report	Date
AS1005	Government announces Ag Research Initiative to Increase Productivity & Cut Carbon Emissions by 50 percent	02/18/10
AS1004	Australian Container exports rise	02/02/10
AS1003	Grain & Feed Lock-Up – February 2010	02/01/10
AS1001	Commercial Cultivation of GM Canola Approved in 3rd Australian State	01/27/10
AS9042	Fresh Deciduous Fruit Annual 2009	12/24/09
AS9041	Australian Emissions Trading Scheme Excludes Agriculture	11/19/09
AS9039	Citrus Annual 2009	11/09/09
AS9038	Grain & Feed Lock-Up – November 2009	10/29/09
AS9037	Dairy and Products Annual 2009	10/20/09
AS9036	Ord River Irrigation Offers Huge Potential and Ongoing Challenges	10/13/09
AS9035	Sugar Semi-Annual 2009	09/30/09
AS9033	FAIRS Export Certificate Report	09/02/09
AS9032	Livestock and Products Annual	09/01/09
AS9031	Exporter Guide	08/31/09
AS9030	U.S. Distillers Grains Promoted at Australian Grains Conference	08/18/09
AS9029	Grain and Feed Quarterly Lock-up Report	07/31/09
AS9028	FAIRS Country Report	07/27/09
AS9027	Agricultural Biotechnology Report	06/14/09
AS9025	Australia Gains Improved Access for Citrus & Mangos to China	06/17/09
AS9024	Global Biosecurity Conference to be held in Australia: Call for Abstracts	06/11/09
AS9020	Dairy & Products Semi-Annual	05/15/09
AS9018	Cotton Annual	04/28/09
AS9016	Sugar Annual	04/02/09
AS9015	Grain and Feed Annual 2009	03/20/09
AS9014	Stone Fruit Annual 2009	03/13/09
AS9012	Agricultural Economy and Policy Report	03/12/09
AS9010	Livestock Semi-Annual	03/06/09
AS9009	Government Announces A$32m Research into Soil Carbon & Emissions	03/06/09
AS9008	Wine Annual 2009	03/05/09